



## REBUILD IOWA OFFICE (RIO) LEGISLATIVE WEEKLY

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[www.rio.iowa.gov/news/legislative\\_weekly/index.html](http://www.rio.iowa.gov/news/legislative_weekly/index.html)

### RIO MISSION:

The Rebuild Iowa Office will lead the State of Iowa's efforts to rebuild safer, stronger and smarter in the wake of the 2008 severe storms and catastrophic flooding.

### RIO VISION:

We envision a resilient Iowa that will be safe, sustainable and economically strong for its people, reaffirming its ties to the land, rivers, environment and rich cultural history.

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## MARCH IS FLOOD AWARENESS MONTH

The Rebuild Iowa Office (RIO) is working with the Iowa Insurance Division (IID), the Iowa Department of Natural Resources (DNR), Iowa Homeland Security and Emergency Management Division (HSEMD) and FEMA to promote flood insurance, as well as other flood facts during "Flood Awareness Month" this March.

Representatives from each agency will be conducting media tours across the state to encourage Iowans to "know their flood risk" and to take steps to protect themselves from future floods.

Events during Flood Awareness Month include a proclamation signing, community trainings, weekly press releases that

will discuss preparing an emergency plan and Iowa flood statistics, and a flood symposium to address the 2008 floods and what communities have done to protect themselves. The RIO will send out updates through its e-mail distribution list, as well as post all events and information on its Web site at [www.rio.iowa.gov](http://www.rio.iowa.gov).

## PROTECTING AGAINST RISK: THE NATIONAL FLOOD INSURANCE PROGRAM

The floods of 2008 serve as a grim reminder for Iowans to protect themselves and their belongings from the threat of flooding. With the possibility of significant spring flooding looming once again, the Rebuild Iowa Office emphasizes the importance of preparation.

The National Weather Service (NWS) predicts a high risk of significant flooding in the state between February and April 2010. This is due in part to the record snowfall seen this winter ranging from 150 percent to 200 percent of normal amounts. Combining this with consistent low temperatures has resulted in above normal snow depth for much of the state,

especially northwest Iowa. Rapid spring warm ups and greater amounts of precipitation could increase the likelihood and severity of flooding.

Iowans need only look to the communities affected by the 2008 disasters to see how devastating floods can be. Homeowners insurance does not protect property owners against this risk, which is why early enrollment in the National Flood Insurance Program (NFIP) is key.

**Because the NFIP requires a 30-day waiting period before claims can be made on a policy, it is important for Iowans to enroll before the spring warm-up and flooding occurs.**

According to FEMA, the average homeowner's flood insurance premium is a little more than \$500 a year, with coverage available for homes outside the high-risk flood plains for considerably less. Premiums for flood insurance will vary depending upon on the risk a property has for flood loss, the amount of coverage chosen and the type of coverage needed, along with the amount of a deductible.

People may purchase flood insurance for a home or business, regardless of whether the property is in a flood plain as long as the community is participating in the National Flood Insurance Program.

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## REVOLVING LOAN FUND

Disaster-impacted businesses still in need of financial assistance may want to look into one of the many Revolving Loan Funds (RLF) administered by local council of governments (COGs) across Iowa. An RLF provides a flexible source of funding support to existing businesses while encouraging and attracting new, entrepreneurial ventures.

The Economic Development Administration's (EDA) grants to capitalize or recapitalize revolving loan funds (RLFs) are most commonly used for business lending, but also may be established for public infrastructure lending or other authorized purposes involving lending. RLF's are commonly referred to as gap financing, used to fill the difference between

what can be borrowed from a traditional lending source and what is needed to start or expand businesses leading to direct job retention, creation or recover a business from a disaster. Loan criteria follow prudent lending practices for public loan programs.

The Business Assistance Revolving Loan Fund, created by the East Central Iowa Council of Governments (ECICOG) in Cedar Rapids, has already helped businesses recover from the effects of the 2008 floods.

The fund was made initially possible when ECICOG was awarded a \$1.5 million grant from the Economic Development Administration (EDA). The RLF was first considered as a way to

create additional flood-recovery resources for businesses in the six-county east-central Iowa area which includes Linn, Johnson, Washington, Iowa, Jones and Benton counties. However, the importance of the RLF will have a much greater impact since the RLF is set up to be self-perpetuating, with loan payments going back into the fund so money can be loaned out to other businesses.

EDA grants have also been made to other council of governments (COGs) in Iowa for Revolving Loan Funds.

For a complete listing of COGs, visit the Rebuild Iowa Office Web site at [http://www.rio.iowa.gov/assets/disaster\\_program\\_contact\\_list.pdf](http://www.rio.iowa.gov/assets/disaster_program_contact_list.pdf).



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The insurance may be purchased directly from a property and casualty insurance agent or an insurance company. Iowans can find out whether a particular community is enrolled in a program by visiting the Iowa Insurance Division's Web site at [www.iid.state.ia.us](http://www.iid.state.ia.us). For more information about the National Flood Insurance Program, visit the NFIP Web site at [www.floodsmart.gov](http://www.floodsmart.gov).

If a person already has flood insurance, it is important to check the policy to make sure there is enough to cover damages within the home at current value. Iowans should also check to be sure they have additional coverage for a home's contents. Basic flood insurance policies do not cover the contents of a home and must be added on to the policy.

For more information, go to [www.FloodSmart.gov](http://www.FloodSmart.gov).

This Web site allows families to estimate their premiums and calculate their flood insurance rate. There is also an interactive tool that shows how much a flood can cost a family with no flood insurance. For example, just two inches of water can cost a family \$7,800 with no flood insurance.

*Information included in this article provided by IID, DNR and NWS.*

